Nova Scotia

Beef Commission

Department of
Agriculture and Marketing

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BEEF INDUSTRY

REPORT

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REPORT

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June, 1991

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I N T R O D U C T I O N

The Nova Scotia Beef Commission was established by legislation effective August 1, 1991.

The Beef Commission Act is designed to create a group concerned solely with developing the Provinces' beef industry. A five member Board was appointed by the Governor-in-Council. Members of the Board are Rick Williams, Chairman, Jack Redden, Vice-Chairman, Gordon Carter, Marcel LeVert and Joe MacKinnon. This Board will make recommendations to the Minister on the allocation of resources to the beef industry and the implementation and administration of policies and programs for the beef sector.

T. R. Nunn was appointed to the position of Secretary-Manager of the Commission with Bruce Pettipas to serve as a Beef Specialist.

Since formation of the Commission nine meetings have been held and a major review of the beef industry has been undertaken as the first step in developing a strategy to improve and expand the beef sector.

The purpose of this report is to provide a comprehensive review and analysis of the present beef industry in Nova Scotia and to make recommendations which can be implemented to improve and expand the beef cattle sector. The report is designed to:

1. Describe the present beef cattle situation, direction and trends, forecasts, current policies and programs, competition, advantages and disadvantages.

2. Identify opportunities for development, denote constraints inhibiting the industry and formulate future objectives.

3. Outline recommendations to be used in further development of the industry.

The work of preparing this report has been done mainly through a review of beef cattle programs and through consultation with government personnel. The work of the Beef Commission will provide for additional and continuous review of the industry and further recommendations will be developed in the future.

PART II - EXECUTIVE SUMMARY & RECOMMENDATIONS

At the present time, the sale of cattle and calves in Nova Scotia has a gross annual value of over 34 million dollars each year. This accounts for about 10.5% of our Nova Scotia Farm Income. There are approximately 2000 beef producers in the Province producing about 15,000 feeder calves per year.

Records indicate that over 70% of the beef cow herd is owned by 500 producers. About 250 producers feed most of the slaughter beef cattle in the Province.

In Nova Scotia we produce less than 25% of the beef we consume. A market exists for expanded production of both feeder cattle and finished or slaughter cattle.

In most cases, beef production is a secondary beef enterprise utilizing resources for which other uses are not readily available. In addition, many people engaged in beef farming have seasonal or full-time employment off the farm.

Nova Scotia is a major producer of high quality feeder cattle. Many of the good quality feeder calves are sold to Prince Edward Island, Quebec, New Brunswick and Ontario for further feeding to market weight. Availability of cheaper waste product feeds has been a major factor influencing the sale of cattle to other areas.

Beef cow numbers have remained fairly constant at about 23,000 head over the past ten (10) years. During this time, there has also been a trend to selling more stocker cattle in the Province in the spring of the year. A spring feeder market has become well established.

Both the quality and weight of feeder calves in the Province has improved due to better management and the use of cross-breeding programs.

In Nova Scotia, there is a major opportunity for expansion of the beef industry. At present, production is not restricted by quotas or supply management. The major opportunity appears to be to increase beef cow numbers. The production of a top quality feeder calf is basic in our beef industry. This calf may then be fed to a heavier feeder weight or to a slaughter market weight.

Beef cattle are well suited to our type of agriculture and can make good use of available existing resources in the Province. However, a number of constraints have also been noted. In particular, the low level of returns in the industry has been a major problem which must be overcome if we are to expand production. Improvements in the marketing system, especially for finished cattle are also necessary. The lack of adequate credit programs and the lack of a modern facility to produce boxed beef are also serious constraints for the industry to overcome.

A reasonable goal for the Nova Scotia Beef industry might be to increase beef cow numbers by 10,000 cows over the next five years and to finish an additional 5,000 head of slaughter cattle over the same period. This would increase gross industry returns by an additional ten (10) million dollars and provide many more dollars in increased benefits to the agricultural economy.

In Nova Scotia, many of our programs and policies have been designed to help increase cattle numbers and to improve the quality of cattle produced. Programs have been implemented to assist producers in improving the economic viability of their operations through development of five year farm plans. Emphasis has also been placed on land development and improvement and the production of livestock feed.

Following are some of the recommendations necessary if we are to achieve our long term objectives of improving and expanding the beef industry. Several specific programs would need to be developed further. Recommendations have been classified in a general way as to priority.

IMMEDIATE PRIORITY

It is recommended that the Nova Scotia Farm Loan Board implement a system of loans for the purchase of beef cattle. Such loans would be at prevailing Loan Board interest rates. In addition, consideration should
* be given to a Cash Advance Loan System to beef producers to provide operating money to feed cattle to heavier or finished weights. It is also recommended that capital loans for the purchase or improvement of land, buildings and equipment be more readily available to beef producers who can expand on the basis of a sound, viable farm development plan.

Action must be taken within the next year by government to ensure that a modern boxed beef facility is constructed as part of our major killing plant operation. Alternatively, this might be done as a separate
* facility in close proximity to the plant. There is also a need for a boxing facility that is available to other inspected meat plants in the

Province in order to market boxed beef from their operations or sell high quality carcasses to a plant for boxing purposes.

There is also a need for the development of more beef processing within our major plants.

Steps must be taken to improve the marketing of finished cattle. This may require that an additional person be assigned to the Beef Commission * staff to work on the education of producers and to encourage the proper marketing of live finished cattle in an orderly, co-ordinated manner, and to develop new market opportunities for beef cattle.

Consideration should be given to implementing a Pasture Improvement Program for beef producers. This could include improvement of our present * existing permanent pastures through improved fertility, rotational grazing, renovation, clipping, harrowing and water systems. This could be funded through any future Livestock Feed Agreement or by the re-allocation of funding from present Land Improvement Programs.

Continued assistance in the puchase of scales is recommended with * increased emphasis on the need to measure production in our commercial herds as part of the overall farm development plan.

Further development of cross-bred heifer production and expanded * use of tested herd bulls through the Test Station programs is needed in the beef industry in order to realize the advantages of cross-breeding programs.

KEY RECOMMENDATIONS FOR LONG TERM DEVELOPMENT

Any future Agricultural Development Agreement should address the problem of special programs for areas with greater potential for beef * production. Also, a program is needed to assist small producers to expand their herd numbers. Additional staff may be required to work on this further development of the industry.

The present Provincial Meat Inspection Program must continue to expand and develop. A plan to phase in compulsory meat inspection over * the next five years should be developed and implemented through the Nova Scotia Meat Inspection Advisory Board and the Nova Scotia Beef Commission.

Such a plan must address the problem of present uninspected plants, the custom killing of cattle and the on-farm killing of cattle for the freezer trade.

A continued expansion of beef cattle research is essential to further development of the Beef Industry. It is suggested that research * be carried out on the use of all forage rations, including economic data, factors affecting cow productivity, reducing winter feed costs, extended pasture seasons, use of waste-products, housing and labor requirements for beef cattle, and preconditioning programs.

CONTINUOUS PRIORITY

Programs designed to improve the quality of beef cattle produced * in Nova Scotia must be continued if our livestock quality is to improve. Current funding levels must be maintained or increased where possible.

A higher level of management must be applied to our present beef operation. Programs to promote better management techniques should be * adopted. This support should include short courses, group tours, investigative travel, innovative demonstrations, technology transfer and development.

It is recommended that a Cost of Production Study be implemented through the Farm Management Division to develop a Beef Industry Business * Summary similar to those done for other livestock sectors. Such a study should be based on a good sample of various types of beef operations and should include an analysis of production systems for both feedlot and cow-calf units.

The beef cattle sector represents a special opportunity in Nova Scotia since it is one of the major commodities where we have an opportunity to expand production. It is necessary that the industry retain maximum flexibility in beef production systems. The production of a top quality feeder calf, as the first priority, allows for this type of flexibility. This calf can then be marketed at various feeder weights or finished to market weight depending on the available markets and economic returns.

On many farms, beef production often represents the only feasible use of existing resources of land, buildings, machinery and labour. The beef cow in particular can be handled with resources we already have.

Beef cattle may be the last commodity area that we will have an opportunity to expand to any major extent here in Nova Scotia. Therefore, our goal must be to continue to expand our beef cattle population and to improve the quality of cattle produced.

Part III - Beef Industry Description

A. Economic Importance

	1984	1989
Gross Annual Value ($'000)	26,020	31,960
% of National Production	0.9	0.9
% of N.S. Farm Receipts	8.7	10.0

B. Industry Structure

There are approximately 2000 beef producers in Nova Scotia (1986 Census), producing about 15,000 feeder calves per year. In addition, another 8,000 feeders originate each year from the dairy herd. Thus, about 23,000 feeder calves are produced each year.

Nova Scotia's cattle population is concentrated somewhat in the seven counties of Kings, Hants, Colchester, Cumberland, Annapolis, Pictou, and Antigonish. These seven counties account for about 80% of the beef breeding herd.

The raising of cattle to finished weights is more concentrated. Kings County is the major feeding area accounting for one-quarter of the steers and heifers fed for slaughter in the Province. Cumberland County is the second most important cattle feeding area.

The annual output of cattle and calves from Nova Scotia has averaged from 45,000 to 51,000 in recent years. (Table 2).

The total cattle herd (beef and dairy) has decreased during the past eight years.

In a 1978 survey of all farms having beef cattle, 65% had less than 15 cattle, 27% had between 16 and 50 cattle, 6% had between 51 and 100 and 2% had over 100 cattle.

Records from the Beef Herd Improvement Program show that over 70% of the beef cow herd is owned by 500 producers. These producers all have over 15 breeding females and have a herd average of 33 females.

A special beef assistance program offered in 1987 and 1988 has shown that 250 producers feed most of the slaughter beef cattle in the Province.

In most cases, beef production has been a secondary farm enterprise utilizing resources (building, land, labor) for which other uses are not readily available. In addition many people engaged in beef farming have seasonal or full-time employment off the farm. It is estimated that 52% of our beef cattle are owned by part time farmers.

C. Marketing of Cattle

Cattle and calves are marketed in many different ways in Nova Scotia. Federally inspected plants in Berwick and Antigonish in Nova Scotia and in Moncton, New Brunswick and Charlottetown, P.E.I. account for the largest share of marketings for finished cattle. Over the 1989 period, these plants purchased about 22,000 head. This volume represented 42% of total production. Other slaughtering operations in the Province including those with provincial inspection averaged an estimated 10,400 head or 27%. It is estimated that 5,200 head were killed on farms and sold. Most of these cattle would move into the freezer trade. Another 3,000 head are consumed directly on the farms each year.

About 60% of the cattle and calves are marketed in the second half of the year. (Table IV).

Figures also show that the percentage of top grading cattle is fairly low (25%) compared to the national average (64%). (Table V). Nova Scotia also kills a fairly high percentage of lower quality animals compared to the national average (18% vs. 8%). This is due to our higher number of cull dairy cows.

Prices in Nova Scotia are tied to the overall North American market. Low volumes, poorer quality and inconsistent supply of cattle contribute to our problems in receiving better prices. (Table VI).

In Nova Scotia, we produce less than 25% of the beef we consume. A market exists for expanded production.

D. Killing Plants

There are two Federally Inspected Plants and 14 Provincially Inspected Abbatoirs in Nova Scotia. There are also 6 Provincially Inspected Processing Outlets. As well, there are over 50 uninspected plants.

The Province has developed a meat inspection program. In 1989, 27.3% of the inspected cattle slaughter was done in these plants. (Tables VIII and IX).

E. Feeder Cattle Markets

Markets for feeder cattle are much better defined in Nova Scotia than are the slaughter cattle markets. The Truro cattle market is the largest east of Quebec and up to 30,000 head of live cattle may move through regular auction sales in the Province. Many of the good feeder calves are sold to Prince Edward Island, Quebec, New Brunswick, Ontario and New England, for further feeding to market weights. Feeder calves produced in Nova Scotia have developed a good reputation among cattle feeders. Prices received are outlined in Table X.

F. Directions and Trends

A number of trends can be identified in the beef industry and these are outlined as follows:

(1) Both the quality and weight of feeder calves in the Province are improving. This is due to better management in our herds, earlier calving, more cross-breeding, use of tested herd sires and better pasture use.

(2) The use of newer exotic breeds of cattle has increased, particularly the use of Charolais, Simmental and Limousin herd sires.

(3) The number of beef producers has stabilized with less movement in and out of production.

(4) Beef cow numbers have remained fairly constant over the past 10 years.

(5) There has been an increase in the number of beef calves retained as stocker cattle and sold as heavier yearling feeders in the spring or fall of the year. A spring feeder cattle sale has become well established.

(6) A large percentage of the good feeder calves move out of the Province each Fall for further finishing. Prince Edward Island is the main destination, followed by Quebec.

(7) Cow-calf production continues to be mainly done by part-time producers.

(8) The number of provincially inspected plants is increasing.

(9) There has been increased interest in beef production as a secondary enterprise or to use existing resources. Present and former dairy producers have shown increased interest in beef operations.

G. Forecast

(1) The overall Canadian outlook is encouraging. Herd expansion has been slow in both Canada and the United States.

(2) Large numbers of feeder cattle are moving from Canada to the U.S. In addition, there has been a shift from finishing cattle in Ontario to Western Canada. This may result in increased demand for our feeder calves from Ontario and Quebec feedlots.

(3) Low returns and competition from other provinces will influence the number of cattle finished here in Nova Scotia.

(4) Sales of feeder cattle will continue to increase, with some increase in stocker cattle numbers and year round selling of cattle.

(5) No immediate change is expected in the volume of beef marketed through large chain stores.

(6) The amount of local beef marketed through provincially inspected plants should increase in some areas. However, there may be some decline in the freezer trade market.

(7) The market demand for high quality feeder cattle should have a positive influence on improving the quality of cattle in the province and provide a base for increased numbers.

H. External Climate

(1) Atlantic region is deficient in beef production.

(2) Availability of cheaper waste-product feeds (potato waste) in P.E.I. and N.B. results in a lower cost of production for finished cattle.

(3) Cattle prices are set on North American market.

(4) Beef consumption in Atlantic Canada has traditionally been lower than the Canadian average.

I. Competition

(1) Beef is in competition for consumer preference for other red meats and poultry.

(2) Nova Scotia is in direct competition with P.E.I., N.B., Ontario, and Western Canada, for finished cattle. Overseas competition can also be a factor.

Part IV - Development Opportunities and Constraints For the Beef Industry

A. Opportunities

In Nova Scotia, there exists a major opportunity for expansion of the beef industry. At present, beef production is not restricted by quotas or supply management, and may be one of the last commodities that we will have an opportunity to expand.

Markets for increased production exist as the Province produces only a small percentage of its high quality beef requirements and only one-half of its boned beef needs.

The major opportunity appears to be to increase beef cow numbers in the Province. The production of a top quality feeder calf is basic in the beef industry. Good markets exist for the sale of feeder calves to P.E.I., N.B., Quebec, Ontario, New England and to other producers within Nova Scotia. In addition, an opportunity exists to feed calves to heavier weights for resale as yearling feeders the following spring or fall. Such a stocker cattle phase may be missing in our present production systems.

There is also some potential to feed more cattle to slaughter weights, particularly where local and specialty markets exist. The development of additional inspected plants in strategic areas of the Province and the implementation of compulsory meat inspection could also provide opportunities for marketing additional finished cattle on a more orderly basis.

B. Advantages and Disadvantages

Nova Scotia has the resources to support a much larger beef industry. Among the advantages to be listed are the following:

(1) Beef cattle are well suited to our type of agriculture and many beef units have developed as a complementary enterprise. In addition, many beef producers have seasonal or full time employment off the farm.

(2) Beef production often represents the only feasible use for existing resources of land, buildings, machinery and family labor. It does not require sophisticated housing and management programs.

(3) Beef cattle can be raised primarily on roughages, by-products and opportunity feeds, which are available within our Province, and production is not based on large quantities of imported feed.

(4) Beef cattle represent a saleable product at various ages, and may be used to build security and net worth.

On the other hand, a number of disadvantages can also be noted as follows:

(1) It is difficult to produce budgets that show high returns on capital, labor and management based on average herd performance.

(2) Beef cattle within the province lack some uniformity of type and quality although improvement has been made over the past twenty years. Cross-breeding involving the use of dairy breeds has hindered us in producing top quality feeders.

(3) The relatively small size of the beef cow herd has made beef cattle breeding and selection more difficult. This has also hindered the adoption of new production techniques, and made the marketing of finished cattle on an orderly basis more difficult. Many of our processing plants are unable to obtain a consistent supply of good quality cattle in sufficient numbers to develop their markets.

C. Constraints

As noted earlier, beef production in Nova Scotia is mainly a part-time or secondary operation. Restricting factors exist at the farm level for the industry to be at its present size. Constraints hindering any rapid expansion in Nova Scotia include:

(1) The low level of returns has hurt the industry. The returns and risks associated with beef cannot compete with other farm enterprises that utilize similar resources. Standardized beef production systems have not evolved as they have in other livestock commodities.

(2) Beef Cattle numbers, average herd size, and number of farms raising beef catle have hindered development of the industry. The size of the industry and its dispersed nature has constrained production.

(3) The marketing structure is not oriented to readily accept or handle slaughter cattle produced in Nova Scotia. Good quality cattle in sufficient and consistent supply are not readily available for killing plants to develop markets and service the retail chain stores. Additional provincially inspected plants are needed to provide more access to local, specialized markets.

(4) Other areas, both national and international, may have an advantage in beef production in the form of lower costs and a structure for quality inspection and marketing.

(5) The dispersed and low-scale nature of the industry hinders extension and educational efforts to improve the industry.

(6) Significant gains in beef consumption are doubtful due to changing consumer demand.

(7) The lack of facilities to produce boxed beef in the Province is a further marketing constraint in selling to chain stores, restaurants and fast food purveyors.

(8) Low cash flow in beef operations makes it difficult for many producers to make use of cost-shared programs since they are unable to fund their portion. Availability of credit is also a problem.

(9) Inability for Nova Scotia producers to set price is a constraint to further expansion of chain store marketings.

D. Long Term Objectives

Obviously, a main objective for the beef industry would be expansion of production. Discussion on this topic has suggested that the beef cow numbers in the Province should be doubled over the next fifteen years. This would mean an increase from the present 23,500 cows to 47,000 cows. The produciton of a high quality feeder calf is considered basic to the beef industry. A further objective may be to add value to that feeder calf by feeding to higher weights and thus maximizing returns per cow where possible. This could mean the develoment of a backgrounding or stocker cattle phase in addition to the present sale of feeder calves at weaning time.

Improvements in the marketing of feeder cattle must continue to be made. Efforts should be made to identify, expand and develop additional markets for feeder cattle.

In Nova Scotia, many of our programs and policies have been designed to help increase the number and improve the quality of cattle produced. We must maintain and increase the genetic quality of the beef herd, so that a more uniform and efficient feeder calf is produced. Both weaning weights and birth rates of calves must be improved through better genetic and management techniques. A higher level of management must be applied to our beef cattle operations in the Province.

Part V - Policy and Program Review

In Nova Scotia, many of our programs and policies have been designed to help increase cattle numbers and improve the quality of cattle produced. Emphasis has also been placed on policies that will extend the Agricultural land base and encourage the production of livestock feed. Programs have been implemented also to assist producers in improving the economic viability of their operations. Following is a summary of programs that impact on the beef industry. Further analysis will follow in other sections of this report along with suggested changes and recommendations. Tables I to XII provide information on financial assistance and expenditures made or allocated under various programs.

(1) Beef Herd Improvement Program

This incentive program is designed to restructure, improve and develope beef cow-calf herds in Nova Scotia by providing financial assistance for the purchase or selection of replacement breeding females by beef producers. This program is co-ordinated closely with the Improved Sire Policy. The breeder must have an organized breeding program and use a tested herd sire.

This has been a very valuable program for the cow-calf producers. It allows for the retention of good heifer calves as breeding females rather than for sale as feeder cattle. About 500 cow-calf producers benefit from the use of this program each year. Up to 4,000 selected replacement heifer calves are retained each year through this program. All are sired by performance tested beef bulls.

This program continues to be the main program available to our cow-calf producers. It has helped us to maintain a stable cow herd in the Province over the past 10 years and at times when other Provinces have shown decreases in their cow numbers. Continued development of the cow herd is essential to the Nova Scotia beef industry.

(2) Beef Development Program

This is a new program designed to improve the efficiency and viability of beef operations in Nova Scotia through a planned approach to further development of the beef enterprise. This program extends and compliments the Comprehensive Farm Development Sub-Program.

This is expected to be a very valuable program and should lead to further development of the beef operation on about 150 of our larger farms over the next five years. Producers are using this program to expand breeding females, improve buildings, handling facilities, purchase scales, improve land fertility, manure storage, etc. To date, 56 applications have been received.

(3) Record of Performance Programs

This is a program to assist breeders in selecting replacement heifers and herd sires on the basis of performance records through operation of both a home test and station test program. The home test program has 215 herds enrolled.

The Maritime Beef Cattle Test Station operates on a year round basis at Nappan. Since 1966, close to 3,800 beef bulls have been tested using this facility. Development of an annual bull sale has had a very positive effect on the beef industry in the Maritimes. The Test Station Program has been one of the most important programs for improving the performance and quality of cattle produced in the Maritimes.

Development of a heifer testing program at the Test Station is another program designed to stimulate replacement heifer breeding, selection, cross-breeding and reproductive performance.

Further development and expansion of the Test Station Program should continue in the future.

(4) Improved Sire Program

This program is designed to provide assistance for the purchase of herd sires to use in both commercial and purebred herds. Under this program, about 230 sires are bonused each year. This is an important program in improving the quality and performance of beef cattle and it should be continued. The program has also helped to educate producers in the use of performance records and their application to practical breeding programs.

(5) Provincial Meat Inspection Program

This program was started in 1985 and now has 13 licensed abattoirs enrolled under the program along with 1 Speciality Plant and 6 processing facilities. One additional killing plant may be added shortly. Under this program, 5913 head of cattle and 2045 calves were slaughtered during 1989.

This is an important program for the development of local markets for Nova Scotia cattle. The development of additional inspected plants in strategic areas of the Province should continue. The implementation of compulsory meat inspection could provide opportunities for marketing additional finished cattle on a more orderly basis.

There is some concern regarding the low volume kill in some plants and the effect on program operation. Future expansion may need to be in higher volume areas of the Province. In addition, present plants need to increase the volume of animals slaughtered, improve the quality of cattle and further develope their local market.

(6) Cattle Herd Health Program

The purpose of this program is to encourage cattle owners to utilize veterinarian services on a regular herd health basis. This program can be used by beef producers to improve their overall herd health, management and nutrition thus improving the performance and efficiency of their operation. This program has not been used to potential by beef producers. While 347 beef herds were enrolled in 1989, 41% did not use the program. This level of participation has been a problem since the Program started in 1986. Low returns in the beef business may be a problem for producers in paying their share of the program. Greater participation should be encouraged since this is an important program that can increase the productivity of many beef herds.

(7) Land Improvement Programs

The objective of this program is to improve the productive capacity of agricultural land in Nova Scotia. In 1989, 1032 applications were approved with total assistance of $6.8 million. Since there are over 2000 beef producers in Nova Scotia, it would appear that this program is not widely used by the beef sector. Many producers would not be in a position to fund their share of the program. In addition, many smaller producers would not meet the $10,000 gross income eligibility clause. There is a need for a program that allows beef producers to improve their present land without additional land clearing or large capital expenses. Emphasis should be on improving land fertility and carrying capacity.

There is also potential for beef producers in certain areas of the Province to use the Land Assembly and Development Program on a co-operative basis. This might allow a number of smaller producers with limited resources to co-operate in further developing land for beef operations through a joint effort.

(8) Fertilizer Assistance Program

This program provides for financial assistance to farmers for the purchase of commercial fertilizers used for crop production. Forage crops represent the largest acreage for which this program is used (66%). While this program is used extensively by many beef producers, it is also likely that many more producers do not use the program. Reports indicate that only about one half of the improved farm land in Nova Scotia would be fertilized on a regular basis.

It is clear that there is great potential for improved fertility programs and thus increased forage production on many of our beef farms.

It could be safely assumed that because of our high number of beef producers (2000) much of the unfertilized land would be owned by small beef producers. Low returns in the beef industry may contribute to the low use of policies such as the fertilizer program.

A total of 1806 applications were approved in the 1989-90 year for assistance of $1.5 million.

(9) Canada-Nova Scotia Livestock Feed Development Initiative (ALFI)

The objective of this agreement is to promote the development of the livestock feed industry in Nova Scotia and to assist the Province to achieve feed self-sufficiency. Five programs were designed to assist in achieving the objectives. To-date, the main use of this program has been to construct feed storage and handling facilities on individual farms. A total of 289 facilities were approved for all commodities during 1987-89. Assistance of $1.8 million has been offered to producers. The largest number of facilities (87% of assistance) has been for new forage storage and handling facilities. Hay storages accounted for 40% of this assistance, silage pads and bunker silos - 21%.

While only 8 research type projects have been done directly related to the beef sector, many forage projects have been assisted which will have some application in terms of forage handling, quality, feed value, etc.

The on-farm facility part of this program has been of real benefit to our beef producers and will provide the basis for future improvement in feed production, quality and handling.

A criticism of the present agreement might be that it has been too project oriented. Much of the assistance has not reached the average beef farm.

Any new agreement should centre more on the individual farm and what we can do to improve livestock feed production or self sufficiency on that farm. A farm plan type of program might be a good approach.

A program to improve forage production on our beef farms would be a valuable one, especially in the area of pasture improvement, i.e., improvement of our present existing permanent pastures through improved fertility, rotational fencing, rennovation, water systems, clipping, chain harrowing, etc. This should be an "on farm" program with assistance going directly to the producer for work on his farm unit.

This would probably be one of the best programs we could develope since pasture offers the cheapest gains in the beef industry. It is also a common area where improvement could be made across the whole industry.

(10) Agri-Food Development Program (AFDA)

A new five year Federal-Provincial development agreement to improve the economic viability of the agricultural industry in Nova Scotia was signed in the summer of 1988. The agreement includes seven development programs designed to promote growth and development in all agricultural programs.

One of the new development programs is the Technology Acceleration program which has been used extensively to date by beef producers to improve the productivity and efficiency of their farm unit. A unique part of this program is the Comprehensive Farm Development Sub-Program which provides for a planned approach to develope and improved the individual farm unit. This program was developed by the Beef Sub-Sector Committee in 1986.

To date, over 220 farm plans have been developed by beef producers and assistance of over $4 million dollars has been allocated to beef producers over the period 1988-1995. Beef producers are using this program to improve their land fertility, pasture productivity, breeding cattle (numbers and quality), handling facilties, housing and feeding systems, feed and forage production, manure storage, etc. These changes are making major improvements in cattle management and productivity resulting in increased income for the beef operation.

Under the total AFDA program, 369 beef applications have been approved to date with total assistance of nearly $4.5 million ear-marked for the beef industry over the life of the agreement. Projects have included improvements or new facilities for 6 inspected slaughter plants and several research projects which will benefit the beef industry. Greater use could be made of the Technology Introduction and Evaluation, Human Resource and Market Development Programs by the beef sector.

The current Agri-Food Development Program is essential for further development of our beef industry. The Comprehensive Farm Development Sub-Program in particular, will result in a greatly improved beef industry. It should also provide a sound base upon which future programs can be developed. Any future agreements will need to place increased emphasis on improving the productivity and profitability of existing beef operations. The beef industry may lend itself to a separate development program in order to focus on the special opportunities available to expand production in this one commodity. Any future agreements must also be more commodity specific in order to address the special needs of the beef sector.

It could also be argued that certain regions of the Province may have more potential for beef cattle development (i.e., Annapolis and Cumberland) than other areas. Special development programs may be needed in these areas if we are to further develope the beef industry.

In addition, present development programs may not be satisfactory for many small producers to expand or develope their operations. There could be as many as 1000 small producers who are not eligible for any governmental programs and yet have potential to increase production on their farms. This may be a serious constraint to further development of the beef sector.

(11) Stabilization for Beef Producers

This program is established by federal-provincial agreement and is designed to stabilize prices to reduce income lost by producers from market risks.

Under the Stabilization Program two schemes are available; one for Feeder/Slaughter Cattle and one for Cow-Calf Producers.

The Feeder/Slaughter Cattle Program provides for three options that producers may enroll in (1) Feeder cattle (weaning to heavy feeders). (2) Slaughter cattle (fed to slaughter weights) or (3) Combined Feeder and Slaughter Option. (Cattle may be sold as either heavy feeders or slaughter cattle).

Under the Stabilization Program, a National Committee establishes a support price each quarter of the year. Payments are made to producers if the average market price falls below this support price.

The Cow-Calf Program covers the beef cow herd where feeder calves are raised to weaning weight to be kept for feedng or sold. Producers pay a premium on a per cow basis for cows in the herd each April 1st. The support price is based on the national average market price of feeder calves for the past ten years. If prices for feeder calves fall below the support price, a payment will be made on a cow basis to producers enrolled in the program. There has not been a payment made yet under this program since it started in 1986.

Cow-Calf producers who feed their own calves for sale as heavy feeders or slaughter cattle could join both the Cow-Calf Program and one of the options under the Feeder/Slaughter Program.

All tripartite plans are voluntary. In Nova Scotia, 89 producers have joined the Cow-Calf program to date. No payments have been made as yet to these producers.

A significant number of beef producers are enrolled in the Feeder/Slaughter program and to date they have received approximately $230,000 in payments. A total of 201 producers have enrolled in this plan in Nova Scotia.

While this program has been important to individual producers, the impact on the total industry has been disappointing. Many of our Cow-calf producers have not joined. On the other hand, most of our cattle feeders have joined and have benefited from this coverage.

Another major disadvantage of stabilization has been the ceiling placed on net benefits to producers from all assistance programs. This has been 16% of the total industry value and could be reduced to 12% in the future. At present, net benefits to Nova Scotia producers are at the 8% level. This means that we could be seriously limited in the number and scope of any new industry programs that might be developed. For an industry where further development opportunities exist, this could be a major disadvantage and constraint. Future participation in this program will need to be considered carefully at the end of the present agreement in 1995.

(12) Feed Freight Assistance (FFA)

This program assists with part of the costs of moving feed grains from surplus to deficit areas of Canada. It applies to feed grains fed to livestock or used to manufacture livestock feed. For those commodities such as dairy, poultry, and hogs, this is a very important program. The FFA program is not as important to a commodity such as the beef industry which is not based on large amounts of imported grains. However, it could become more important to the beef industry if more cattle are fed to finished weights in the future.

At present only about 5% of the feed grain imported into Nova Scotia is used by the beef industry. However, any enhancement of the FFA program would also benefit this industry, particularly the cattle feeding sector. In addition, any measures which will reduce feed costs to the beef industry will increase profitability since up to 70% of production costs are for feed. Programs such as ALFI have been designed to improve our livestock feed production and efficiency.

One of the major advantages of the beef industry is that it can be expanded using the resources available to us and it is not dependent on large quantities of imported feed grains. Future development will need to be based on increased local feed production, improved forage quality, greater use of by-product feeds and new feed sources. Imported feed grains would be used only as required to supplement local feeding programs.

(13) Credit Payments

The main source of long term credit in Nova Scotia is the Farm Loan Board. Financing is available at favorable rates of interest for the acquisition and development of farms. Other programs such as Interest Subsidy, Interest Foregiveness and Land Purchase and Leasing are also available to aid in development of the agricultural industry. The Farm Credit Corporation also provides long-term credit for developing and purchasing farm enterprises.

Intermediate and short term credit is mainly available through Banks and Credit Unions. In some cases, the ceilings placed on this type of credit are too low to allow for the purchase of enough livestock to generate sufficient cash-flow.

Beef cattle enterprises often represent the only feasible use for existing resources of land, buildings, capital and labor. Beef cattle are a saleable product at various ages, and are used in many cases to build security and net worth. In addition, they are often only part of the total farm operation.

Various studies of the beef industry have noted the very favorable equity position of beef porducers. This may be due to low risk taking and subsidization of farms through off-farm earnings. In any case, the industry as a whole is one of low producer liability. On the other hand, it is generally accepted that most beef operations cannot carry a high debt load. In fact, many are over capitalized for the amount of production generated and the capital turnover rate is poor especially for part-time farmers. Low financial returns and the lack of custom services available add to this problem.

During the 1988-89 year, only 5.5% of the total funds loaned went specifically for beef purposes from the N.S. Farm Loan Board. This meant that less than 1 million dollars out of a 14.2 million total was loaned for this specific purpose. However, this may not represent the total picture as some loans classified for other purposes would be to beef producers. By contrast, over 5.4 million dollars or 38.7% of all money was loaned for specific dairy farm purposes.

In addition, only 10 new part-time loans were made in 1988-89 for all commodities. This indicates a low rate of loans for beef enterprises. Another problem is with the $45,000 maximum on part-time loans. Inflation has reduced the usefulness of this money source dramatically. This may mean higher interest charges on other money sources for beef producers.

It is apparent that if our beef industry is to be expanded, there must be improved credit sources available particularly for the purchase of livestock, both breeding females and feeder cattle. This may mean increased access to both long term and intermediate credit. Programs such as the Interest Foregiveness Program and Interest Subsidy Policy will be important to provide reasonable interest rates and better stability to the beef operation. Greater use must be made of the Farm Consolidation and Land Use Program particularly in areas identified as having greater potential for beef production.

Expansion of existing credit programs is basic to expanding beef cattle numbers in the Province. Improved programs for the purchase of livestock are essential if we are to expand our production. A system of government guaranteed loans is probably the most cost-effective method for this purpose and needs to be given serious consideration. It may also be necessary for all credit agencies to assume a greater degree of risk in order to make additional funds available to an expanding beef industry.

PART VI - STRATEGY AND RECOMMENDATIONS

The major opportunity in the Nova Scotia Beef Industry would appear to be to increase beef cow numbers in the Province. Available resources are such that they favor cow-calf production. Beef production is based mainly on forage programs and large amounts of high energy feeds are not available. The production of a top quality feeder calf is basic in the beef industry.

There is also potential to feed more cattle to heavier feeder weight or to slaughter weight. In particular, local and specialty markets can provide an increased opportunity to sell more finished cattle. The production of heavier feeders or finished cattle can increase the value added segment of the industry.

It is necessary that the industry retain maximum flexibility in Nova Scotia. The production of a top quality feeder calf as the first priority provides this flexibility since the calf can then be marketed at various feeder stages or finished to slaughter weight depending on markets and economic returns.

A reasonable goal for the Nova Scotia Beef Industry might be to increase beef cow numbers by 10,000 cows over the next five years and to finish an additional 5,000 head of slaughter cattle over the same period. This would increase gross industry returns by an additional ten (10) million dollars and provide many more dollars in increased spin-off benefits to the economy.

Following are some of the strategy recommendations necessary if we are to achieve the long term objective of improving and expanding the Beef Industry. These steps are tied to the removal of identified constraints and are general in nature. Specific programs would need to be developed further.

1. QUALITY IMPROVEMENT

To help meet the objectives of increasing the number of beef females, and improving the overall quality of beef calves produced, the present programs of beef herd improvement should be continued. Present funding levels should be maintained or improved.

The present Record of performance Programs for Beef Cattle should be improved and expanded as an integral part of upgrading our beef herds. Further development and expansion of the Test Station Program should continue. Assistance for the purchase of top quality herd sires must continue.

* **Programs designed to improve the quality of beef cattle produced in Nova Scotia must be continued if our livestock quality is to improve. Current funding levels must be maintained or increased where possible.**

2. IMPROVED CREDIT PROGRAMS

Credit is a limiting resource for many beef producers. Credit is less readily available to beef producers than most other livestock enterprises, partly due to lower returns and the fact that cash income may only be received annually.

Any expansion of the Nova Scotia Beef Industry will require improved access to credit for both the cow-calf and feedlot operators. Credit Agencies must be prepared to assume greater risks in their lending practices. In particular, the Nova Scotia Farm Loan Board must be prepared to expand their activities. Ceilings for part-time loans must be increased substantially and the on farm residence requirement may need to be eliminated. Many part-time producers are reluctant to include their house as collateral. This requirement needs to be examined closely and possibly changed.

Expansion of existing credit programs, particularly for the purchase of livestock is essential if we are to expand production.

* **It is recommended that the Nova Scotia Farm Loan Board implement a system of loans for the purchase of beef cattle. Such loans would be at prevailing Loan Board interest rates. In addition, consideration should be given to a Cash Advance Loan System to beef producers to provide operating money to feed cattle to heavier or finished weights. It is also recommended that capital loans for the purchase or improvement of land, buildings and equipment be more readily available to beef producers who can expand on the basis of a sound, viable farm development plan.**

3. BOXED BEEF FACILITY

The lack of a modern facility to produce boxed beef in the province is a major marketing constraint in selling finished beef to chain stores, restaurants, institutions and fast-food purveyors. The trend to boxed beef is strong and will continue to dominate the market. The hotel-restaurant - institution trade will also require more pre-portioned beef in the future. Quality of cattle marketed through this system must be high, uniform, tender and properly flavoured. Retailers will not be willing to replace imported beef with local beef unless producers and packers can match the packaging and quality.

3. **BOXED FEED FACILITY (cont'd)**

It is possible that more of our ground beef requirements could be supplied locally. Nova Scotia consumes larger amounts of ground beef per capita than the national average (46% of beef consumed versus 34% nationally). It may also be possible to supply more of the lower priced cuts for the HRI trade. However, in the high quality sectors, modern boxing methods, better packaging and improved quality beef are essential if we are to supply more of our markets.

* **Action must be taken within the next year by government to ensure that a modern boxed beef facility is constructed as part of our major killing plant operation. Alternatively, this might be done as a separate facility in close proximity to the plant. There is also a need for a boxing facility that is available to other inspected meat plants in the Province in order to market boxed beef from their operations or sell high quality carcasses to a plant for boxing purposes.**

There is also a need for the development of more beef processing within our major plants.

4. **FORAGE PRODUCTION**

Expansion and improvement of the Nova Scotia beef Industry will depend to a great extent on the development of a sound forage program. Feed is the most important input in beef production costs. Improvement in the permanent pastures now used by beef producers may offer the greatest potential for improved productivity. The cheapest and most efficient gains are made from pasture. Many producers have lacked the cash flow necessary to implement a pasture improvement program.

* **Consideration should be given to implementing a Pasture improvement Program for beef producers. This could include improvement of our present existing permanent pastures through improved fertility, rotational grazing, renovation, clipping, harrowing and water systems. This could be funded through any future Livestock Feed Agreement or by the re-allocation of funding from present Land Improvement Programs.**

5. **MEAT INSPECTION**

The Provincial Meat Inspection Program is very important to the development of local markets for Nova Scotia cattle. The development of additional inspected plants in strategic areas of the Province should continue. Compulsory meat inspection should be implemented as soon as possible.

* **The present Provincial Meat Inspection Program must continue to expand and develop. A plan to phase in compulsory meat inspection over the next five years should be developed and implemented through the Nova Scotia Meat Inspection Advisory Board and the Nova Scotia Beef Commission. Such a plan must address the problem of present uninspected plants, the custom killing of cattle and the on-farm killing of cattle for the freezer trade.**

6. MARKETING

Markets for good quality feeder cattle are quite well defined, both within and outside the Province. The marketing system for feeder cattle appears to be working well. There is potential to market more feeder cattle of all weights, particularly to Princed Edward Island and Quebec.

On the other hand,major improvements are necessary if we are to produce and market more finished cattle in Nova Scotia. This will require more support and financial assistance for the feedlot sector.

A pilot beef marketing project has met with some success. This program should be continued and expanded as cattle and facilities become available to do so. The approach used under this project might be duplicated with other packers and retailers. It will require a co-ordinated approach to producing finished cattle on a year round basis. It will also require further education of producers to improve the finishing and quality of cattle. Further development of this program can result in a more orderly, organized approach to marketing cattle. It may lead to the possibility of contracting of production between feedlot, packer and retailer. There is also an opportunity to supply more of our processed and ground beef requirements locally.

* **Steps must be taken to improve the marketing of finished cattle. This may require that an additional person be assigned to the Beef Commission staff to work on the education of producers and to ecourage the proper marketing of live finished cattle in an orderly, co-orinated manner, and to develop new market opportunities for beef cattle.**

7. COST OF PRODUCTION STUDY

Cost of production information is not readily available within the Beef industry. It is necessary to u-grade the quality of statistics for industry analysis purposes. Cost of production data should be collected for a number of beef operations using various feeding programs. Such information should be analyzed in order to identify the optimum systems of production, feeding programs, investment

limits, financial constraints, production goals and management programs.

*** It is recommended that a Cost of production Study be implemented through the Farm Management Division to develop a Beef Industry Business Summary similar to those done for other livestock sectors. Such a study should be based on a good sample of various types of beef operations and should include an analysis of production systems for both feedlot and cow-calf units.**

8. **INCREASED PRODUCTIVITY**

There is clearly a need to increase the productivity and hence profitability of many of our existing beef operations. The present Farm Plan programs should provide a sound base on which to build future development. Future Agreements should place more emphasis on improving productivity. Greater emphasis will need to be placed on the purchase and use of scales to measure production. Despite several programs to assist in the purchase of scales, many beef producers have not done so. Little improvement can be made in production unless it is monitored through a weighing program.

Use of more cross-breeding programs will need to be encouraged. Because of our small herd size, we need to increase the production of F_1 heifers as replacement females and encourage greater use of the right beef sires to produce top-quality calves. A start has been made on this program by the Maritime Beef Cattle Test Station.

*** Continued assistance in the purchase of scales is recommended with increased emphasis on the need to measure production in our commercial herds as part of the overll farm development plan.**

*** Further development of cross-bred heifer production and expanded use of tested herd bulls through the Test Station programs is needed in the beef industry in order to realize the advantages of cross-breeding programs.**

9. **MANAGEMENT**

During the past twenty five years some excellent beef units have developed here in Nova Scotia. However, in general the same level of management has not been applied to beef cattle that we now see in some other segments of our livestock industry. This is particularly true of many of our cow-calf operations.

* **A higher level of management must be applied to our present beef operation. Programs to promote better management techniques should be adopted. This support should include short courses, group tours, investigative travel, innovative demonstrations, technology transfer and development.**

10. **DEVELOPMENT**

While all areas of Nova Scotia have potential for increased production it is apparent that several areas may have added advantages for beef cattle expansion. These areas include Annapolis, Cumberland and north-Colchester. Large areas of unused land are available in these areas and the potential for other commodities may be somewhat limited. There may be a need to consider special development programs in these areas. More co-operative efforts may need to be initiated among producers. The Land Assembly and Development Program might be used to further consolidate land for beef production. Special consideration should also be given to assisting small producers to expand their production.

* **Any further Agricultural Development Agreement should address the problem of special programs for areas with greater potential for beef production. Also, a program is needed to assist small producers to expand their herd numbers. Additional staff may be required to work on this further development of the industry.**

11. **RESEARCH**

The development of alternate production systems including the economics of each is one area of beef cattle research that must be given high priority. Improved forage production systems are an essential part of beef cattle production. New varieties of forage, intensive cropping practices, and new equipment to improve forage production need to be investigated.

* **A continued expansion of beef cattle research is essential to further development of the beef industry. It is suggested that research be carried out on the use of all forage rations, including economic data, factors affecting cow productivity, reducing winter feed costs, extended pasture seasons, use of waste-products, housing and labor requirements for beef cattle, and preconditioning programs.**

Part VII Appendix

Table I 1988 Farm Receipts (Dollars)

	NOVA SCOTIA	CANADA
Cattle	28,614	3,533,762
Calves	3,737	394,862
Total Livestock	219,513	10,646,111
Total Farm Receipts	311,325	22,061,395

Source: Nova Scotia Agr. Statistics - 1989

Table II Livestock Balance Sheets, Nova Scotia

Year	Total Supply	EXPORTS Inter-Prov.	EXPORTS Inter-Nat.	SLAUGHTER Killed & Eaten	SLAUGHTER Killed & Sold	SLAUGHTER Federal & Provincial Slaughter	SLAUGHTER Other Comm.
CATTLE							
1988	35,700	2,300	900	1,900	4,000	20,500	6,100
1987	37,300	3,000	600	2,000	4,200	21,300	6,200
1986	35,900	1,900	900	2,000	4,400	20,800	5,900
1985	36,300	2,200	2,100	1,900	6,100	17,900	6,100
1984	33,700	2,600	1,700	2,100	6,800	14,500	6,000
1983	35,800	2,000	2,900	2,500	7,100	15,500	5,800
1982	35,800	2,500	2,200	2,900	7,800	14,300	6,100
1981	34,000	900	1,200	1,900	8,000	12,200	9,800
CALVES							
1988	11,300	4,400	0	800	900	4,600	600
1987	13,700	5,600	300	800	1,000	5,200	800
1986	14,200	4,900	2,500	800	1,000	4,100	900
1985	13,500	5,300	3,700	600	1,000	2,200	700
1984	15,300	5,700	4,900	400	800	3,000	500
1983	12,000	2,700	4,600	400	900	2,900	500
1982	13,400	2,500	5,400	600	1,300	2,500	1,100
1981	12,200	2,500	4,000	500	1,300	1,100	2,800

Source: Nova Scotia Agr. Statistics. 1989

TABLE III

CATTLE ON NOVA SCOTIA FARMS JANUARY 1

1981 - 1989

	Bulls	Cows	Cows	Heifers	Heifers	Steers	Calves	Total
				('000 Head)				
1989	1.8	33.3	22.5	15.2	10.0	7.0	30.2	120.0
1988	1.9	33.3	22.5	15.3	10.0	7.0	30.0	120.0
1987	1.9	34.4	23.1	15.6	9.8	8.6	31.6	125.0
1986	1.9	34.2	23.0	15.7	9.6	8.2	33.4	126.0
1985	1.2	34.6	23.3	15.8	9.9	8.5	33.9	128.0
1984	1.2	34.9	23.5	15.5	10.0	8.8	34.3	129.0
1983	2.1	35.5	23.8	15.3	10.6	9.0	33.7	130.0
1982	2.1	36.0	24.0	15.2	10.8	9.3	33.6	131.0

Source: Livestock Market Review

TABLE 1V

SEASONAL DISPOSITION OF NOVA SCOTIA CATTLE
AND CALF OUTPUT 1989

Output	Jan - June	July - Dec
Cattle	17,200	18,500
Calves	28,200	20,000
Interprovincial Exports		
Cattle	1,300	1,000
Calves	2,500	1,900
International Exports		
Cattle	900	0
Calves	0	0
Killed and Eaten		
Cattle	1,000	900
Calves	300	500
Killed and Sold		
Cattle	2,100	1,900
Calves	400	500
Federal and Provincial Inspected Slaughter		
Cattle	9,700	10,800
Calves	2,300	2,300
Other Commercial Slaughter		
Cattle	2,200	3,900
Calves	200	400

Source: Livestock Market Review

TABLE V

GRADES OF SLAUGHTER CATTLE MARKETED IN NOVA SCOTIA AND CANADA[1]

	1986	1987	1988
		(Per Cent)	
Nova Scotia			
A1,2	26.7	24.0	25.6
A3,4	0.4	0.3	0.3
B,C	7.3	5.9	5.1
D	18.9	18.9	18.5
E	1.1	1.2	1.6
Ungraded	45.6	49.7	48.8
Canada			
A1,2	64.2	65.9	67.0
A3,4	6.0	5.4	6.4
B,C	4.2	3.6	3.1
D	8.4	8.2	7.7
E	0.4	0.5	0.4
Ungraded	17.1	16.5	15.3

TABLE V1

COMPARATIVE ANNUAL AVERAGE CATTLE PRICES
TRURO, TORONTO AND WINNIPEG
1980 -1988

Class	Truro	Winnipeg	Toronto	Truro Price Spread With Winnipeg	Toronto
- $/cwt - A1,A2 Steers					
1988	78.45	80.76	87.35	-2.31	-8.90
1987	80.21	82.80	88.89	-2.59	-8.68
1986	74.22	76.62	82.66	-2.40	-8.44
1985	74.98	76.34	81.63	-1.36	-6.65
1984	72.72	77.67	85.30	-4.95	-12.58
1983	68.82	72.50	78.98	-3.68	-10.16
1982	69.60	75.17	80.54	-5.57	-10.94
1981	71.30	76.37	80.00	-5.07	-8.70
1980	74.11	76.06	80.74	-1.95	-6.63

TABLE V11

WHOLESALE DRESSED STEER PRICES
(AVERAGE PRICE IN CENTS PER KG
FOR BULK OF TRADING)

	Annual Average 1986	Annual Average 1988
British Columbia	311.03	319.92
Alberta	307.17	321.64
Saskatchewan	310.44	326.66
Manitoba	317.50	333.26
Ontario	312.92	325.14
Quebec	327.04	342.70
Maritimes	330.72	346.60

Table VIII Meat Inspection Program (1989): Numbers of Animals Slaughtered

Abattoir	Cattle	Calves	Swine	Sheep	Lambs	Goats
A	420	52	482	85	357	173
B	1,184	23	938	104	105	35
C	369	22	623	2	3	4
D	13	1,900	17	38	527	2
E	2,587	29	7,027	3	605	2
F	373	7	562	66	3,501	11
G	304	9	110	14	38	-
H	286	2	31	-	-	-
I	116	-	603	-	-	-
J	73	-	19	4	4	2
K	128	1	21	1	-	-
L	5	-	468	2	11	-
M	55	-	-	3	-	-
TOTAL	5,913	2,045	10,901	322	5,151	229

Total all animals slaughtered (1989) = 24,561

Source: Livestock Services Annual Report 1989

Table IX Livestock Slaughter - Inspected Plants - 1989

	Cattle	Calves	Swine	Lambs & Sheep
Total Kill, Atlantic Provinces	21,486	2,521	248,788	6,469
Total Kill, N.S.	10,482	2,196	198,969	6,469
NS Meat Inspection Program				
- Federal	4,613	142	188,042	902
- Provincial	5,869	2,054	10,927	5,567
- Total	10,482	2,196	198,969	6,469
Provincial Inspection as % of total kill (N.S. Orgin)	27.3%	81.5%	4.4%	86.0%

Source: Agriculture Canada

Table X Nova Scotia Fall Feeder Sales

Year	Choice & Good Steers		Choice & Good Heifers		Total Cattle	
	Number	Average Price $/Cwt.	Number	Average Price $/Cwt.	Number	Average Price $/Cwt.
1990	1,262	98.28	768	81.37	2,356	90.37
1989	1,057	98.36	762	81.48	2,383	86.67
1988	872	99.84	617	82.72	1,978	88.56
1987	801	110.87	495	93.35	1,930	97.02
1986	899	86.55	521	76.41	2,174	79.08
1985	740	82.66	564	73.88	2,226	74.58
1984	850	83.70	656	74.76	2,195	76.35
1983	761	78.12	594	69.80	1,988	72.05
1982	873	72.44	724	62.21	2,281	67.10
1981	814	70.73	445	60.71	1,795	65.38
1980	900	86.55	513	78.63	1,767	80.90

Source: Nova Scotia Department of Agriculture & Marketing

TABLE XI - SUMMARY OF MAJOR PROGRAMS AVAILABLE TO BEEF INDUSTRY

PROGRAM	PROGRAM USE	ASSISTANCE PAID OR PROGRAM COST	COMMODITY USE
BEEF HERD IMPROVEMENT	512 Applic.	$616,120.	BEEF
BEEF DEVELOPMENT	62 Applic.	$329,000. Allocated	BEEF
R.O.P.	215 Herds 250 Bulls	$ 50,000.	BEEF
IMRPOVED SIRE	228 Applic.	$ 84,000.	BEEF
PROV. MEAT INSPECTION	14 Killing Plants 6 Processing Plants	$400,000	BEEF -HOGS SHEEP
CATTLE HERD HEALTH	547 Dairy herds 347 Beef Herds	$167,000.	BEEF DAIRY
LAND IMPROVEMENT	1032 Applic.	$6.8 Million	ALL
FERTILIZER ASSISTANCE	1806 Applic.	$1.5 Million	ALL
A L F I *	289 On-Farm Projects	$1.8 Million Allocated	ALL
A F D A *	369 Beef Applic.	$4.5 Million Allocated	BEEF
STABILIZATION	201 Feeder-Slaughter 89 Cow-Calf	$230,000. Paid Out To Date	BEEF
FARM LOAN BOARD	204 Applic.	$14.2 Million Loaned .7 Million Loaned	-Beef ALL

* Funding for these Programs is allocated for several years or the life of the program. All others are on a per year basis.

Table XII NOVA SCOTIA

Net Benefits to Beef Producers
By Source of Funding and Program, 1989/90

Programs	Program Type	Amount Total	Support Per $100 Cash Receipts
Federal			
Fuel Tax Rebate	FT	8467	0.03
Agr. Stabilization Act (Farm Fed)	FTE	-12727	-0.05
Corn Countervail	FTE	-232281	-0.95
Canada Shipping Act	FTE	-153585	-0.63
Herd Compensation	FT	288	0.00
Feed Freight (FFA)	FT	186046	0.76
Credit Programs	FT	26116	0.11
TOTAL		-177676	-0.72
Provincial			
Property Tax Exemption	FT	50748	0.21
Diesel Tax Exemption	FT	24539	0.10
Fuel Tax Rebate	FT	2313	0.01
Assistance to Processors	FTE	194897	0.79
Farm Pond Program	FT	6253	0.03
Beef & Swine Herd Improvement	FT	650968	2.66
Grant to Red Meat Association	FT	34156	0.14
Fertilizer Assistance	FT	74855	0.31
Limestone Assistance	FT	44339	0.18
Interest Subsidy	FT	95732	0.39
Interest Rate Subsidization	FT	323580	1.32
Loan to Part Time Farmers	FT	17253	0.07
Interest Forgiveness	FT	54922	0.22
Farm Land Purchase & Lease	FT	53097	0.22
Capital Grants (On Farm)	FT	57298	0.23
Capital Grants (Off Farm)	FTE	57657	0.24
TOTAL		1742607	7.11
Federal/Provincial			
Tripartite Programs (NTSP)	FT	153081	0.62
ERDA - Agriculture Canada	FT	181519	0.74
ISTC/DRIE	FTE	2249	0.01
ACOA	FTE	17810	0.07
TOTAL		354659	1.45
GRAND TOTAL		**1919590**	**7.83**
Adjusted Cash Receipts ($100) 3 Year Average 1987-89		245170	

FT: Financial Transfer
FTE: Financial Transfer Equivalent

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